

## Message Text

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PAGE 01 LA PAZ 07153 101743Z

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ACTION ARA-10

INFO OCT-01 ISO-00 ARAE-00 L-03 H-02 AID-05 CIAE-00

COME-00 EB-07 FRB-03 INR-07 NSAE-00 USIA-06 TRSE-00

XMB-02 OPIC-03 SP-02 CIEP-01 LAB-04 SIL-01 OMB-01

SS-15 NSC-05 /078 W

----- 069121

P 101700Z OCT 75

FM AMEMBASSY LA PAZ

TO SECSTATE WASHDC PRIORITY 8342

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FOR ARA/LA/BC

E.O. 11652: N/A DECONTROL FOLLOWING OCT 9, 1976

TAGS: EAID, EINV, BL

SUBJ: PROPOSED DISCUSSIONS WITH LECHIN RE LA BELGICA

REF: LA PAZ 6493 AND TOAID A-213

1. WE SEE NO IMPORTANT POLITICAL CONSEQUENCES FAVORABLE OR ADVERSE ARISING FROM A DISCUSSION WITH MINISTER LECHIN OF THE LA BELGICA DEBT SETTLEMENT PROBLEM. WE SEE THIS AS ESSENTIALLY A FINANCIAL AND LEGAL PROBLEM TO BE WORKED OUT BETWEEN A PRIVATE COMPANY AND AID. YOU MIGHT WISH TO TAKE NOTE OF MINOR POLITICAL POINT THAT IF LECHIN DISCUSSES MATTER WITH MINISTER INDUSTRY AND COMMERCE, LATTER PRONE TO TAKE A STATIST VIEWPOINT FAVORING GOVERNMENT TAKEOVER OR INTERVENTION. HOWEVER, EXPROPRIATION OF GASSER INTERESTS BY BANZER GOVERNMENT QUITE UNLIKELY.

2. FROM FINANCIAL AND LEGAL STANDPOINT, WE DO NOT REPEAT NOT BELIEVE THAT DISCUSSIONS WITH ANY GOB REPRESENTATIVE ARE OPPORTUNE. USAID MISSION ADVISES US THAT AS A RESULT OF PRE-NEGOTIATION DISCUSSIONS THEY BELIEVE THAT A SATISFACTORY DEBT RESCHEDULING AGREEMENT CAN BE REACHED WHICH ADEQUATELY PROTECTS THE INTERESTS

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PAGE 02 LA PAZ 07153 101743Z

OF THE UNITED STATES GOVERNMENT. BORROWER HAS EXPRESSED STRONG

DISTASTE FOR A GOVERNMENT GUARANTEE OR GOVERNMENT INVOLVEMENT IN ANY SETTLEMENT. ON OTHER HAND BORROWER HAS EXPRESSED WILLINGNESS TO ENTER INTO AN AGREEMENT THAT INVOLVES PLEDGING OF ALL ASSETS. APPEARS TO EMBASSY THAT INVOLVING GOVERNMENT AT THIS TIME WOULD JEOPARDIZE POSSIBILITY OF AN EARLY RESOLUTION THIS LONG-STANDING AND ANNOYING PROBLEM.

3. OBVIOUSLY IF NEGOTIATIONS LEADING TO A SATISFACTORY SETTLEMENT WERE TO BREAK DOWN, WE WOULD WISH TO CONSULT WITH THE GOVERNMENT OF BOLIVIA AS TO A SATISFACTORY RESOLUTION. HOWEVER, SUCH DISCUSSION APPEARS PREMATURE AND IN ANY CASE SHOULD PROBABLY TAKE PLACE IN LA PAZ AND IN ALL LIKELIHOOD WITH MINISTRIES OF FINANCE, COMMERCE AND INDUSTRY, AND THE OFFICE OF THE PRESIDENCY RATHER THAN WITH THE MINISTRY OF COORDINATION AND PLANNING.  
PARKER

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NNN

## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** NATIONALIZATION, DEBT REPAYMENTS, NEGOTIATIONS  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 10 OCT 1975  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Authority:** GolinoFR  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 28 MAY 2004  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1975LAPAZ07153  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** n/a  
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**Errors:** N/A  
**Film Number:** D750353-0319  
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**Original Classification:** LIMITED OFFICIAL USE  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
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**Reference:** 75 LA PAZ 6493  
**Review Action:** RELEASED, APPROVED  
**Review Authority:** GolinoFR  
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**Review Date:** 03 SEP 2003  
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**Review Transfer Date:**  
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**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** PROPOSED DISCUSSIONS WITH LECHIN RE LA BELGICA  
**TAGS:** EAID, EINV, BL, (LECHIN)  
**To:** STATE  
**Type:** TE  
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